



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
Newark Field Office
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Date: June 16, 2015

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CI Release #: NEWFO-2015-12

OWNER OF LODI PAVING AND CONCRETE COMPANY PLEADS GUILTY TO TAX EVASION

Newark, N.J. –The owner of Paladino Paving & Concrete, Inc. (Paladino Paving), located in Lodi, New Jersey, pleaded guilty today to income tax evasion.

Salvatore Paladino, 52, a resident of Bergen County, New Jersey, entered his plea before U.S. District Judge William J. Martini. Paladino pleaded guilty to a one count information that charges him with income tax evasion. Sentencing is scheduled for September 22, 2015.

“The license to run a business is not a license to avoid paying your taxes,” stated Jonathan D. Larsen, Special Agent in Charge, IRS-Criminal Investigation, Newark Field Office. “Tax evasion is not a victimless crime. We all pay when others swindle the government.”

According to court documents and statements made in court:

Paladino owned and operated Paladino Paving, a business specializing in commercial and residential paving and concrete work. Between January 2007 and December 2011, Paladino deposited into or cashed out against his personal bank accounts approximately \$572,411 of Paladino Paving business receipts. Paladino used these monies to fund a cash payroll.

For the 2011 tax year, Paladino admitted that he failed to report approximately \$185,659 of income earned through Paladino Paving. This unreported income resulted in a tax due and owing to the government of approximately \$61,393.

Paladino also admitted that he failed to report all of his income for the years 2007 through 2010, upon which an additional tax loss of \$131,652 was due and owing to the government.

The charge of tax evasion carries a statutory maximum prison sentence of five years and a statutory maximum fine equal to the greatest of: (1) \$250,000; (2) twice the gross amount of any pecuniary gain derived from the offense; or (3) twice the gross amount of any pecuniary loss sustained by any victims of the offense.

The investigation was conducted by IRS-Criminal Investigation, Newark Field Office, under the direction of Special Agent in Charge Jonathan D. Larsen and the U.S. Attorney's Office, under the direction of U.S. Attorney Paul J. Fishman.

The Government is represented by Assistant U.S. Attorney Elizabeth M. Harris.

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Defense counsel: Frank Agostino, Esq., Hackensack